

## **EXHIBIT D**



# Mandatory Source Requirement





# Statutory/ Regulatory Framework

- Javits-Wagner-O'Day Act, 41 U.S.C. Chapter 85
- Committee Regulations - 41 CFR Chapter 51
- FAR Subpart 8.7 – Acquisition from Nonprofit Agencies Employing People Who Are Blind or Severely Disabled
- FAR 6.302-5, Authorized or Required by Statute
- DFARS Subpart 208.7, Acquisition from Nonprofit Agencies Employing People Who are Blind or Severely Disabled
- DFARS Procedures, Guidance, and Information (PGI), 207.105, Contents of written acquisition plans
- OMB Circular A-122, Cost Principles for Non-Profit Organizations





# What is the Mandatory Source Requirement?

- AbilityOne is the **required source** for products and services on the Procurement List
- Federal customer is **required to buy** AbilityOne products and cannot purchase commercial equivalents determined Essentially the Same (ETS)
- A product is determined ETS to an AbilityOne product if the two products have the same:
  - Form - appearance, shape, design, color, texture, quality, features
  - Fit - size or dimensional characteristics
  - Function – purpose
- The AbilityOne Commission designates commercial products as ETS to AbilityOne products





# What is the Legal Basis for the Mandatory Source Requirement?

## Javits-Wagner-O'Day Act

- Requires Government to purchase products and services on the Procurement List
- Establishes the AbilityOne Program
- Defines roles and responsibilities of U.S. AbilityOne Commission including:
  - AbilityOne Program regulations and policy
  - Maintaining Federal Procurement List
    - Procurement List ([www.abilityone.gov](http://www.abilityone.gov))
  - Determining Fair Market Price (FMP) for products and services





# What is the Regulatory Framework?

- **FAR Subpart 8.7: Acquisitions from NPAs . . .**
  - Implements JWOD Act and Commission rules
  - At prices established by the Commission
  - From AbilityOne participating nonprofit agencies
- **41 CFR 51-6: Procurement Procedures**
  - Specification changes
  - Variations of products on the Procurement List
  - Replacement products





# Enforcing the Mandatory Source Requirement

The mandatory source requirement is met by:

1. Purchasing mandatory AbilityOne products; become familiar with the Procurement List at [www.abilityone.gov](http://www.abilityone.gov)
2. Not purchasing products similar to AbilityOne products when such commercial products are offered by vendors
3. Ensuring language that requires the purchase of AbilityOne products is included in all bids and solicitations
4. Ensuring authorized distributors do not market and sell essentially the same (ETS) products



# Enforcing the Mandatory Source Requirement

- How to Purchase the mandatory AbilityOne products:
  1. Visit the mandatory Procurement List at  
[http://www.abilityone.gov/procurement\\_list/index.html](http://www.abilityone.gov/procurement_list/index.html)
  2. By national stock number or description, search for the product or equivalent products made by the Program for purchase.
  3. Contact NIB or NISH for any questions concerning who manufactures a product or capabilities.



# This is where you find the Procurement List

Procurement - Windows Internet Explorer  
http://www.abilityone.gov/procurement\_list/index.html

Tuesday, January 10, 2012

**AbilityOne.gov**  
U.S. AbilityOne Commission  
J. Anthony Poleo, Chairperson  
Tina Ballard, Executive Director

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**Procurement List**

Procurement List Products  
Search Products  
How to Buy Products  
Procurement List Services  
Search Services  
How to Buy Services  
Contract Management Services  
Procurement List Additions  
AbilityOne Catalog

Home > Procurement List  
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**Procurement**

The Commission maintains a Procurement List of products and services which have been placed in the AbilityOne® Program, as referenced in FAR Subparts 8.0 and 8.7. Once a product or service is on the Procurement List, the Government must buy it from the organization designated by the Commission until the government no longer has requirements for that item, or until a nonprofit agency employing people who are blind or have severe significant disabilities can no longer furnish that item.

In addition to the many products available under the AbilityOne Program, people who are blind or have other severe disabilities also provide a wide range of services to meet the needs of Federal customers. Each service contract is added to the AbilityOne Program individually with the involvement and cooperation of the Federal contracting activity. Services can be found on the Procurement List, but it is important to remember that the Procurement List does not include an exhaustive list of services that can be provided under the AbilityOne Program. The capabilities of AbilityOne-participating nonprofit agencies are endless, therefore, Federal customers should contact the appropriate NIB or NISH office for more information about AbilityOne service capabilities in your area.

**How to Buy Products and Services**  
For more information on how to purchase AbilityOne products or services, please visit [How to Buy Products](#) or [How to Buy Services](#).

To search for products or services on the Procurement List, please visit [Search Product List](#) or [Search Services List](#).

To download complete listings from the Procurement List, please download the [Products List here](#) and the [Services List here](#).

The AbilityOne logo is a registered trademark of the U.S. AbilityOne Commission which administers the AbilityOne Program.

info@abilityone.gov  
Feedback or Suggestions  
(800) 999-5963

Get Adobe Reader

**Download**  
Products List- Excel  
Services List- Excel

The Committee for Purchase From People Who Are Blind or Severely Disabled operates as the U.S. AbilityOne Commission.  
Freedom of Information Act  
(800) 999-5963 | info@abilityone.gov | Privacy Policy | Site Map ©2011 U.S. AbilityOne Commission all rights reserved.  
The U.S. AbilityOne Commission is committed to maintaining a website that is accessible to all visitors, and encourages public comments and suggestions for improvements.

**AbilityOne®**

PROGRAM |





# Where to Buy AbilityOne Products

- GSA Global Supply – [www.GSAglobalsupply.gsa.gov](http://www.GSAglobalsupply.gsa.gov)
- GSA Advantage!® – [www.gsaadvantage.gov](http://www.gsaadvantage.gov)
- DoD EMALL – [www.emall.dla.mil](http://www.emall.dla.mil)
- Base Supply Centers – Over 140 Federal locations
- Multiple Award Schedule Holders - Authorized AbilityOne Distributors
- Official on-line store – [www.abilityone.com](http://www.abilityone.com)





## What Steps Can be Taken to Ensure Compliance with the Mandatory Source Requirements?

1. Conduct semi-annual training for all contracting officers and specialists on the mandatory source requirements of the AbilityOne Program.
2. Mandate annual training to senior procurement officials on the mandatory source requirements of the AbilityOne Program within each Federal agency.
3. Mandate purchasing “mandatory” by purchasing and/or soliciting AbilityOne products only.
4. Request training and education seminars.

